

PROSPER PILOT CASE STUDY

WOODBURN



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**SUSTAINABLE
TOURISM**



CRC

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ABSTRACT

Prosper is a national tourism research project commissioned by the Sustainable Tourism Cooperative Research Centre (STCRC) and managed by the Centre for Regional Tourism Research, Southern Cross University. Prosper involves researchers from Southern Cross University, the University of Queensland and Murdoch University. Prosper aims to develop context specific and holistic models for evaluating the capacity of regional communities to use innovation as a means of harnessing tourism's social, economic and environmental value. This document presents the findings from the preliminary Prosper case study conducted in the northern New South Wales community of Woodburn.

The core of the Prosper program is a series of case studies of regional tourism innovation potential. Prosper is not designed to tell case study communities what tourism development they should undertake. Rather, the research allows increased understanding of the way tourism operates in these communities, and identifies potential challenges the community will face in trying to develop tourism. At the same time, it identifies some strengths that can be brought to the tourism planning and management processes in those communities.

The key questions for the Prosper project are:

1. What structures in regional tourism management work best in different systems to create environments of innovation?
2. Where in the system (or external to it) do regional tourism innovations come from, and how can regional tourism managers recognise an innovative idea or action?
3. What techniques can be used to evaluate the impacts of innovation on dimensions of regional development?
4. What aspects of social, cultural, economic and political capital are important to innovation and strategic development?

Like all research, Prosper will be of use to communities if there are local champions committed to taking the information and acting on it. Those champions will need to understand the way in which the research has been produced, and will view the research as one component of the knowledge required to inform destination management.

This report contains the findings from the Prosper pilot study. It introduces the reader to the case study, Woodburn, with a range of descriptive information about the general township, as well as issues such as social and economic capacities and the tourism system. This overview then enables the report to present an analysis of Woodburn using a collection of innovation capacity contexts presented in the 'methodologies' report cited above. Emerging from the Woodburn case study analysis is a checklist of Woodburn capacity for innovation indicators relating to each innovation context observed during the analysis. The checklist will highlight the utility of the Prosper research approach by providing a resource to help better understand the regional framework and interrelationships needed for regional communities, in this case Woodburn, to engage in innovative regional tourism development. A glossary has been added to the rear of this report to help clarify any terms that seem unclear or ambiguous.

SUMMARY

Regional tourism in Australia generally refers to tourism activity that occurs outside of densely populated city areas. Regional areas often comprise collections of small communities that only have a limited pool of resources, infrastructure and expertise available to undertake tourism development. Because taking a regional approach to tourism development means that various communities need to come together under a common tourism identity, it presents to stakeholders the dilemma of organising and coordinating diverse interests and resources under that theme. Research undertaken by the Centre for Regional Tourism Research has highlighted that these difficulties can play an important role in the success of regional tourism development initiatives. In response, the Centre commissioned a research program known as Prosper, whose aim is to develop approaches that enable regional areas to overcome these concerns to better maximise the economic, social and environmental rewards of regional tourism development. This report presents the findings of a pilot study undertaken to contribute to the ongoing development of Prosper.

Underlying this pilot study is the recognition that the economic, social and environmental outcomes of regional tourism development are largely determined by important conditions, such as interrelationships and resources, within any region. This report presents the findings of a capacity for innovative regional tourism development pilot case study conducted in the northern New South Wales community of Woodburn. Following a comprehensive case description, the study analyses Woodburn using the ‘capacity for innovation contexts’ framework adapted for Prosper case studies. This approach enables the study to highlight areas of weakness and areas of strength to reflect Woodburn’s capacity to engage in innovative regional tourism development. Woodburn was found to have favourable networks, role of local government, entrepreneurial and economic competence contexts, but less positive clustering of resources, development blocks and production and distribution of knowledge contexts. The capacity for innovation analysis resulted in key conceptual and practical outcomes: suggesting that innovation research represents a significant addition to regional tourism research; and a practical checklist providing an overview of the capacity for innovation of Woodburn. These outcomes are also significant to regional communities in that they offer direction to help the regional communities organise and coordinate important frameworks, such as interrelationships and resources, in a way so that they can better maximise the economic, social and environmental rewards of regional tourism development in the future.

The overall results of this pilot study serve two purposes: to provide the community of Woodburn with a resource to aid in tourism development; and, secondly, to make an instrumental contribution to the ongoing development of the Prosper project.

Chapter 1

Introduction

In recent years tourism development in Australia has witnessed a growth in destination areas presenting and organising themselves as tourism regions. A regional approach to tourism development enables a broad collection of interest groups who share a common ‘identity’ (such as geographical or cultural similarities) to structure diverse tourism resources under that common identity. When the time comes to describe the value of taking a regional approach to tourism, valuations often seek to identify issues such as economic, social and environmental impacts. Because this form of valuation tends to focus on the results arising from a regional tourism development approach, it leaves aside the opportunity to understand important frameworks and interrelationships needed to achieve those outcomes. Tourism regions are then left with a large body of information but little clarity on how to coordinate the region to maximise the full potential of regional tourism activity in the future.

One form of research with the potential to address this problem is the study of a region’s capacity to engage in innovative tourism development behaviour. According to innovation capacity research there should be a set of observable contexts, in the form of important frameworks and interrelationships, within a region that can determine whether a region has a strong or less favourable capacity to engage in innovative tourism development. By taking an innovative approach to regional tourism development, regions can increase their capacity to maximise the full potential of any tourism opportunities present or created within the region at any particular time. As such, however, there is a significant body of innovation capacity research in the field of organisations and management, but the Centre for Regional Tourism Research (CRTR) has found little suggestion of this research in the study of regional tourism development. This research limitation represents a significant gap in the study of regional tourism and regional tourism development.

The purpose of this report is to apply innovation capacity research in a regional tourism development scenario. The report is aligned to broader CRTR research pursuits linked to Prosper, which aims to develop context specific and holistic models for assessing the ‘triple bottom line’ contribution of tourism to regional communities. In doing so, Prosper will examine how regional tourism destinations can innovate to maximise tourism’s positive contributions to their economic and social wellbeing while minimising negative impacts from that activity. This report will present the findings from a case study of the community of Woodburn, northern New South Wales. This pilot case study is designed to illuminate the presence and highlight the role of various innovation contexts in a regional tourism development setting. This report is also designed to explore the value and utility of innovation capacity research in the study of regional tourism development. The outcomes of this report will contribute to the ongoing development of the Prosper research program undertaken by the CRTR, and ongoing regional tourism development in the community of Woodburn.

Chapter 2

Project Summary

Woodburn Pilot Case Study

Prosper case studies involve the collation of secondary data from a range of sources (community documents, Census, tourism statistics), and the conduct of interviews and surveys with businesses, community groups, and local government. The Woodburn case study was used to:

- develop a valid and reliable framework to analyse the innovation capacity of regional communities;
- identify the data sources to assist in diagnosing the innovation capacities of small regional communities;
- provide practical evidence that innovation structures and processes do exist, and are an important factor in regional tourism development; and
- illustrate the utility of innovative structure analysis in informing the tourism development strategies of small regional communities.

The outcomes of this pilot study are intended to serve two broad purposes:

1. **Diagnostic:** This report is intended to provide the community of Woodburn, northern New South Wales, with a resource to aid in the development of tourism within the community.
2. **Regional Tourism Research Development:** The outcomes of this report will provide an instrumental contribution to the ongoing development of the Prosper project.

Why Innovation?

Innovation involves taking a new and original approach and finding new ways of using existing resources while looking to develop new resources. For regional Australia this often involves problem solving by mobilising the existing economic, social, cultural and political capital to move forward. Being able to innovate allows regions, companies and industries to: adapt to changing circumstances; take advantage of new opportunities; and maximise 'returns' from product or process delivery according to the values of the company, industry, or region. Examples of collaborative innovation include:

- Local government working cooperatively with citizen and tourism industry groups to access funds and ideas to develop a strategy of economic and social development based on known tourism potential;
- A Regional Tourism Organisation entering a new marketing partnership with an inbound tour operator to reduce direct marketing costs and access new markets;
- Local Government working with businesses to invest in street-scaping and interpretive signing which highlight local attractions;
- An entrepreneur working with local suppliers and establishing a 'regional products' outlet for distribution of local goods to tourism markets.

The fundamental concern of this approach is how communities can create a fertile environment for innovative behaviour. The literature identifies eight 'innovation contexts' (Carlsson & Stankiewicz 1991), which can be used to assess that environment:

- economic competence;
- clustering of resources;
- the existence of networks;
- the presence of productive development blocks;
- the role of the entrepreneur;
- an effective critical mass of resources;
- a leading role of local government; and
- the production and distribution of knowledge.

A more detailed overview of these contexts is provided in the report Prosper, Understanding Regional Tourism: a Description of Methodologies Employed in the Prosper Program. The 'methodologies' report provides Prosper case study communities, as well as any other interested regional groups, with an overview of the conceptual rationale underlying Prosper research. In short, the report emphasises that innovation research should be located within the context of overall regional development. From this perspective, innovation is

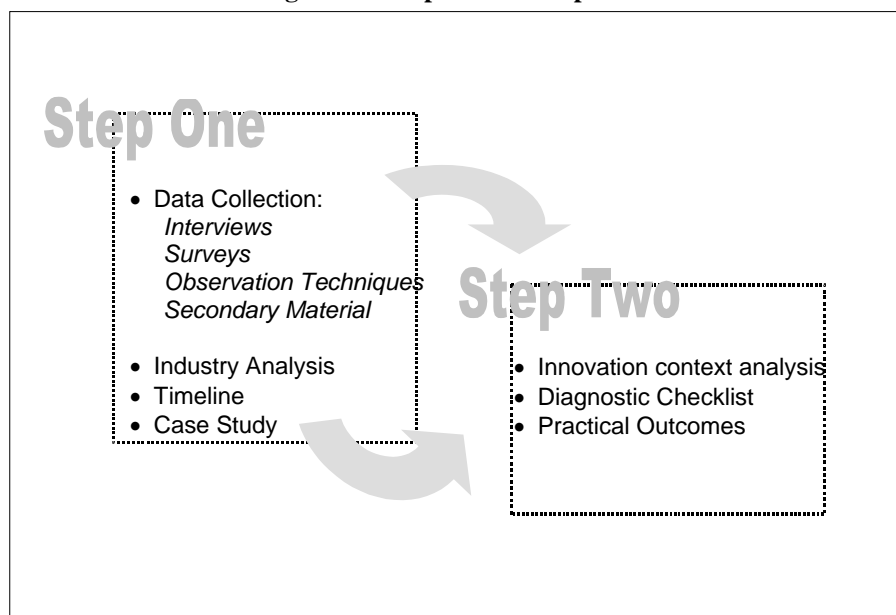
viewed as an ‘energising’ agent that drives and moulds regional tourism development. Prosper argues that this link between innovation and development behaviour is sufficient to propose that if a region has a fertile environment that nurtures innovative behaviour, then the region is more likely to maximise the potential of tourism opportunities.

Chapter 3

Developing the Woodburn

The innovative capacity of Woodburn was researched by Prosper in two major steps. Step 1 involved compiling an elaborate case study of the region which will provide the necessary data to carry out the capacity for innovation context analysis (Step Two) (see Figure 41). This report describes the overall results derived from the pilot study. A more succinct methodological overview of Prosper case studies is provided in the ‘methodologies’ report cited above. The Woodburn Pilot case study was developed following a series of interviews and surveys with community development groups, retail operators, clubs, local government and interest groups, including the perspective of voluntary groups. The primary data from these activities was also bolstered through consultation of a range of secondary sources, including statistics; historical material; marketing collateral; local government documents; Internet websites; and planning documents. Data acquired from primary and secondary sources were recorded in the Prosper template, a research device specifically designed to capture a body of information needed to describe the frameworks supporting tourism development in regional communities. The breadth of data yielded from the template enabled the Prosper researchers to develop a relatively comprehensive, but not exhaustive, case description of the community of Woodburn, its infrastructure, interest groups, demographic composition, selected economic characteristics, tourism resources, and market characteristics.

Figure 1: Prosper research process



The Prosper case study also involved two additional streams of inquiry: an industry analysis; and a tourism development timeline. Firstly, the industry analysis represents an opportunity for Prosper to develop a deeper understanding of industry within the study area. It is based on the work of Porter (cited in Mintzberg, Dougherty, Jorgenson & Westley 1996); whose Competitive Forces Model argues that an understanding of an industry's competitiveness and composition can be gained by analysing five basic industry forces, including entry barriers; rivalry amongst competitors; threat of substitute products; determinants of customer power; and, determinants of supplier power. For the Prosper pilot study, the investigation of these five industry forces in Woodburn was achieved via implementation of a business perceptions survey (see Appendix A).

The second stream of inquiry, the tourism development timeline, is a form of study that builds a chronological account of significant decisions, factors or changes that have helped to mould the contemporary identity of a region. A timeline is relatively easy to construct, provides largely accurate and reliable data and it is also easily replicated in other regional areas. While it is possible to construct a timeline that accounts for the genesis of an entire region, it is often more practical to develop a timeline that considers only one facet of the regional framework. The significant questions explored by the Woodburn tourism development timeline include:

1. What is the trend for businesses operating in Woodburn?
2. What are the trends of tourism development in Woodburn?
3. Are there significant circumstances that have shaped tourism in Woodburn?

The Prosper timeline will focus on significant factors that have helped shape the tourism identity of the study region. This supplementary mode of research will illuminate past interrelationships, intervening factors, significant changes and the actors involved in these events. Prosper will benefit from this knowledge because it will contribute to a deeper understanding of the contexts that increase the capacity of the study region to engage in innovative regional tourism behaviour. A more detailed overview of the industry analysis and timeline is provided in the 'methodologies' report Prosper, Understanding Regional Tourism: a Description of Methodologies Employed in the Prosper Program.

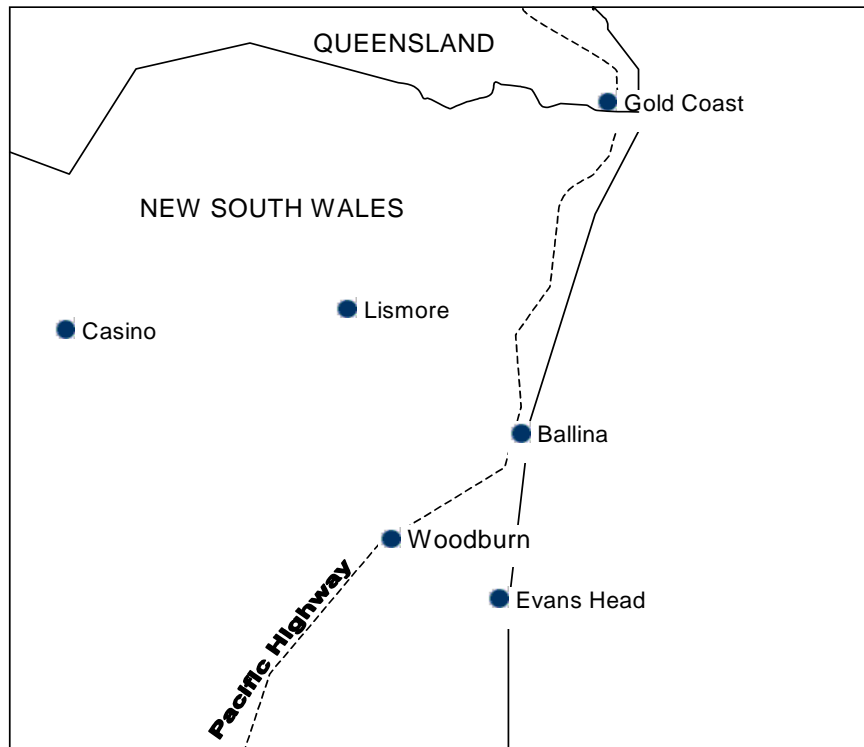
Chapter 4

Woodburn, Northern New South Wales

Location

Woodburn is a township situated at the southern end of the Richmond Valley Council (RVC) local government area in northern New South Wales (see Figure 2). The principle urban district of Woodburn occupies an area of around 1.6 km². At approximately 45 km south of the RVC administration centre, Casino, Woodburn is closer to Lismore, the economic centre of the Lismore City Council (LCC) local government area, its shire neighbour 35 km to the north. Interestingly Woodburn is squarely located on the boundary of both of these two shires, with the largest portion (81% of residents) of the township residing in the RVC shire. Similarly, Woodburn is located at the southern extremity of both shires and, furthermore, the township also offers both shires their only direct link to the busy Pacific Highway. Nearby communities include Broadwater (population in 1996: 504) to the north, Coraki (population in 1996: 1,223) 15 km inland and the popular coastal village of Evans Head (population in 1996: 2,613) some 11 km east.

Figure 2: Woodburn location map



Woodburn straddles a section of the Pacific Highway that brings motorists within sight of the Richmond River. To this end, both the Pacific Highway and the Richmond River are key features of the community to highway motorists. The central business district forms a ribbon along the southern side of the highway, with adjacent areas occupied by riverbank, parklands and amenities. For northbound motorists Woodburn is the first township they encounter after a 98 km stretch from Grafton, a stretch of road known as a notorious fatigue zone. Woodburn has also been dubbed as a gateway to Richmond, Clarence and Tweed Valleys, as well as the Gateway to the 'Rainforest Way'.

Woodburn's climatic characteristics are aggregated from northern New South Wales statistics, which suggests that the region receives an average 1,000 to 1,800 mm of rainfall per annum. Low lying plains and proximity to the Richmond River place Woodburn directly within a flood zone, with the last major flooding on Mothers Day, 1989. Average daytime temperatures generally reach 25–30 °C during summer and around 17–23 °C through winter.

Community Infrastructure

Woodburn is well serviced by primary and secondary access roads, with the township a permanent fixture for Pacific Highway traffic and local traffic enjoying easy access to neighbouring Evans Head and Coraki, as well as regional centres of Lismore and Casino a little further by road. A pitfall of this location, though, arises when traffic accidents take place on the highway, resulting in regrettable circumstances and traffic diversion away from Woodburn. The community itself boasts a modest array of public facilities such as halls, swimming pool, community library, sporting oval, watercraft access, water-sport areas, public toilets, BBQ facilities and parklands. Other facilities include a Bowling Club, RSL Club (located in Evans Head), Hotel / motel, SES headquarters, Rural Fire Service, Post Office, helicopter pad, equestrian centre and several churches. Woodburn keenly observes the regional area through the local radio station and The Rivertown Times, a monthly community and regional newspaper.

Woodburn is dissected by the Pacific Highway, with retail establishments on the southern side and travellers utilising the park and infrastructure opposite (see Figure 3).

Figure 3: Woodburn community infrastructure



Photo: Jim Macbeth

There is a general practitioner and chemist services in the Woodburn community, but specialist and ambulance services are located in surrounding communities such as Evans Head, Coraki and Lismore. All other medical and psychiatric needs are serviced by the Northern Rivers Area Health Service, based in both Lismore and Casino. While EFTPOS, Credit Union and ATM facilities are conveniently accessible in Woodburn, there is no after hours fuel for motorists. Similarly, Woodburn lacks a taxi service, but coach services range from either local transit, to state or interstate connections. A lack of intensive shopping facilities also means that Woodburn residents occasionally need to travel in order to service any shopping needs. But overall, the infrastructure of Woodburn is adequate in the serving the fundamental needs of a small community.

ARIA Classification

The Accessibility/Remoteness Index of Australia (ARIA) is a national geographical approach designed to increase understanding of how Australian localities are affected by distance and access to essential services (Dept. of Health and Aged Care 2001). ARIA uses Geographic Information System (GIS) technology to allocate a given locality an 'accessibility' (ARIA) score, with 0 the highest accessibility rating and 12 the lowest. The score is based on factors such as population size, service availability and distance from service centres. Refer to Table 1 for the Woodburn ARIA data.

Table 1: Woodburn ARIA data

		ARIA SCORE	ARIA CATEGORY	MIN. ARIA VALUE	MAX. ARIA VALUE
Woodburn	-	-	-	-	-
Richmond Valley	1.7242	HA	1.0500	2.5390	-
Casino	-	-	-	-	D
Lismore	-	-	-	-	C

Source: Dept of Health and Aged Care (2001)

Chapter 5

Social Capacity

Population

Woodburn is one of the smallest townships within the RVC Shire. The total population of Woodburn according to the 2001 census is 612 (see Figure 4). Under the dual shire arrangement (with North Woodburn administrated by the LCC), 513 (81%) people reside in the RVC while the remaining 99 (19%) reside in the LCC shire. This means that Woodburn accounts for 2.43% of the RVC population (21,049) and 0.22% of the LCC population (43,070). According to the 2001 Census 78.57% of the population are aged 15 years and over. The median age in the RVC is 38.5 and 36.1 in the LCC.

A large majority of Woodburn residents claim to have been born in Australia (530 = 86.6%). A total of 267 reports that both parents were born in Australia (43.6%) while 243 (39.7%) report that both parents were born in Australia of north-west European origin (English – 161; Scottish – 6; Irish – 58; German 12; other – 6). Only a very small proportion of Woodburn residents (2.6%) identify as Aboriginal or Torres Strait Islander, where in the overall population of the Richmond Valley Shire 5.5% identify as Aboriginal and Torres Strait Islanders. In addition, 4.08% (25) of Woodburn report Italian heritage, a number reflecting the Italian heritage of New Italy, some 10 minutes south of Woodburn.

Figure 4: Looking over the Richmond River to Woodburn residents in the LCC area



Photo: Jim Macbeth

Education

In 1999 the relocation of high school facilities to Evans Head led to a noticeable change in local Woodburn traffic flows and consumer spending during the morning/afternoon school periods. Despite the rearrangement, two primary schools and one pre-school still remain in the community.

According to the 2001 Census, there are approximately 40 secondary students living in Woodburn. Meanwhile, only 14.64% (N= 70) of Woodburn residents aged 15 years and over (N= 478) have completed year 12, with any even slighter proportion (1.6%) holding TAFE or related credentials and as few as 0.9% (N= 6) with university qualifications. The majority of Woodburn residents aged 15 years and over (261) have year 10 (N=137) or lower (N=124) school completion records.

Cultural Profile

Community Values

A recent survey of Woodburn residents conducted during development of the community strategic plan indicates that the following values are important to the Woodburn community: serenity/scenery; proximity to the coast; volunteerism; community spirit and atmosphere; access to amenities; inexpensive living; education and sporting

opportunities. Values are characterised by residential and family longevity of many residents, a condition that has nurtured informal community relationships based on solidarity, empathy and reciprocity. In this sense, Woodburn residents have deep pride for their community and a close association with most events that may affect the community as a whole. Woodburn prides itself on the Riverside Park, its long maritime history and its sense of community.

However, as a result of the need to retain fundamental community values it appears that Woodburn has been superseded by development in surroundings areas, particularly in regions to the north and in nearby Evans Head. Woodburn is sensitive to these changes; however, with the Pacific Highway running directly through the township it offers the community an opportunity to monitor these issues by traffic changes, visitor characteristics or simply via dialogue with passing motorists. Dealing with change as a community, however, is dependant on whether community solidarity can pervade economic and development opportunities. The current research indicates that Woodburn is presently confronted with a period of change.

Historical Identity

Woodburn places considerable emphasis on its association with the Richmond River (see Figure 5). During the era when river travel was common on the Richmond River, Woodburn played a key role in supporting this transit. This was largely due to foundations laid by shipwrights such as Billy Wright and David and Fred West, who during the 1840s constructed many of the first vessels, built on the Richmond, such as the Pelican, Dart and Prince of Wales. Indeed, when water transport was the quickest and cheapest mode of transport, Woodburn witnessed continual river activity as vessels transported people, sugar cane, timber or produce up and down the river, and occasionally one of these vessels would even run aground or sink. Then, with the introduction of Woodburn's first ferry service in 1899, river crossing opened up a new way of life and the ferry quickly became a cornerstone of the region.

Figure 5: The Richmond River, Woodburn



Photo: Jim Macbeth

Woodburn's river-based way of life also moulded its sporting identity in rowing and water skiing. During the 1920s the Woodburn Rowing Club was a leading Australian club which hosted its first annual regatta in 1922 and played a role in hosting the world championship on the Richmond River the following year. Woodburn also boasts Queensland and New South Wales water skiing title-holders who also went on to represent Australia at the 1957 World championships in Florida. Much of the memorabilia from this period is on public display at the Woodburn/Evans Head RSL Club in nearby Evans Head. Since first official settlement in 1866 Woodburn has also weathered numerous floods. Some notable floods occurred in 1893; 1921; 1948; 1954; 1980; and 1989. The last significant flooding in Woodburn occurred on Mothers Day, 1989.

Away from the water the sugar and to a lesser extent timber industries supported the economic backbone of the community. The colourful background of the town is also highlighted by the endurance of early Italian settlers who created a thriving 'New Italy' settlement close to Woodburn in the early 1880s. Within a short period of time the Italian settlers produced timber, silk, salami, cheese and eventually the first wine shop in Woodburn opened which was wholly operated and supplied by New Italy settlers. Despite the demise of the settlement in the 1940s, a New Italy museum just south of Woodburn remains today not only in testament to the achievement of these settlers, but also the journeys they endured before they reached the Richmond Valley.

Woodburn also has a long history as being a point on travel itineraries. Historically Woodburn has assumed this role in a number of ways, including being a key port of call river-based travel; the ferry service also sustained transit for many years; for decades the main road route has passed through Woodburn; and the opening

of a new bridge across the Richmond River in 1981 heralded a newer, more efficient means of linking communities in the Lismore and Richmond regions. Today this role is highlighted with the Pacific Highway passing directly through the town, as well as convenient access to regional centres such as Casino and Lismore. Indeed, Woodburn is marketed by regional tourism interests as a gateway to the Richmond, Clarence and Tweed Valleys, as well as a gateway to national parks and rainforests of the 'Rainforest Way'.

Chapter 6

Tourism System

Tourism Infrastructure

Woodburn has very limited tourism infrastructure specifically designed to retain visitors and increase visitor spending. The principle tourism features of the township are located in the CBD precinct and comprise attributes such as the Richmond River; a ribbon of small-scale retail organisations and cafes; a small handful of tourism-oriented specialty stores; Riverside Park; parking facilities, and amenities. Accommodation is limited to one motel and a hotel/motel. Tourist information is currently available through Riverside Park signage, as well as several retailers and cafes, but Woodburn is scheduled to receive a permanent tourist information centre in the near future. A network of clear signage in Woodburn ensures that present day motorists are well directed within the region. The Woodburn community has also embarked on various marketing efforts, such as internet marketing with RVC and broader regional organisations, to lift the tourism profile of the community.

Contemporary Identity

Pacific Highway motorists have long known Woodburn by its Riverside Park and the opportunity to have a rest and a bite to eat on the banks of the Richmond River. With a short walk across the highway they can take advantage of the takeaway food, bakery, mini supermarket, hotel/motel and a collection of other retail opportunities. For many visitors to Woodburn, this is the extent of their experience. If, however, they visit at the right time of year they can take part in the annual orchid show. Other activities include the Bowls club or golf at the nearby Woodburn/Evans Head golf club. Woodburn also has a collection of unique retailers including the national outlet for Ardour Clothing, in addition to art specialists such as Handcrafted Creatures and the Copper Gallery. Further, Woodburn is also proud of its endeavours in beekeeping and the legacy of timber industry through family operations such as Sly Bros. Sawmill. To the passing visitor though, there are few signs of Woodburn's colourful past.

However, within a short drive of Woodburn in almost every direction there appears to be something unique or unfamiliar. For example, to the east are the Broadwater and Bundjalung National Parks, while inland to the south lie the Bungawalbin wetlands and state forests such as Double Duke and Gibberagee. These environmental zones offer a range of activities such as canoeing; bird watching; bush walking; camping; four-wheel driving; fishing and nature study. Indeed, the Richmond River also abounds with opportunities for water sports. New Italy museum is located on the Pacific Highway to the south, while a little intrepidation will unveil the Northern Rivers Equestrian Centre and the Main Camp Tea Tree Oil Plantation. Evidence of the area's maritime history is evident in surrounding villages such as Coraki, as well as the Woodburn/Evans Head RSL and Golf Clubs located in nearby Evans Head. Indeed the coastal ambience of Evans Head continually draws the greatest visitation in the region.

Chapter 7

Woodburn Timeline

The tourism development timeline of Woodburn constructed during this pilot study is presented in Appendix B. The Woodburn timeline will be interpreted by using the three questions stated in Chapter 3.

Timeline Question One: What is the trend for businesses operating in Woodburn?

During the 1950's two businesses opened: the Woodburn Golf Club started in 1953; and the Woodburn Bowling Club opened in 1958. To this day these two businesses are of high importance to the community, providing both economic and social benefits. These businesses also foster community spirit, as they provide social activities and increase a sense of identity for Woodburn. This in turn contributes to the development of a community body that can influence key local concerns.

The 1970's and 1980's was an important period for the growth of arts and crafts businesses. In 1978 the Copper Gallery opened, and in 1987 Hand Crafted Creatures began business. These two enterprises are still operating today, demonstrating the pervasiveness of cultural tourism in Woodburn.

The late 1990's until 2003 saw an era of new businesses and changing ownership in Woodburn. In 1999 the New Leaf nursery opened, and in 2001 a fashion store called Ardour started operating in Woodburn. In 1998 ownership changed for the Woodburn News. Similarly, the Woodburn Onestop Shop also changed ownership in 2002, along with the Riviera Café around the same time. While changing ownership appears to be common occurrence for the area, proprietor changes appears to have little effect on changing the style of business or products on offer. While the causes of ownership change may be linked to a lack of capital and high operating costs, the trend of retaining the style of business and products on offer into new ownership is an issue for future study.

Timeline Question Two: What are the trends of tourism development in Woodburn?

Overall, tourism development in Woodburn has been minimal. According to the timeline it appears that Woodburn has experienced a lengthy period of limited tourism development from the 1950s right up to the late 1990s. During this period there are suggestions of new enterprise development (such as the Copper Gallery in 1978 and Hand Crafted Creatures in 1987), but overall, these additions are isolated and not accompanied with further developments. The longevity of these establishments, however, does suggest successful business strategies and the ability to operate sustainable tourism businesses in the township, despite minimal tourism development. Longevity also suggests that long-term locals operate these establishments. Excluded from the timeline, however, is any indication of events or festivals that may add to the tourism development character of the area. Inclusion of this information will make a useful addition to the ongoing development of the Woodburn timeline.

The second noticeable feature of the Woodburn tourism development timeline is the increase in retail, tourism and community development from the late 1990's onwards. Immediately preceding this period the community tabled an economic development plan, a move which signifies clear community development intentions. Following this initiative local high school facilities were relocated to Evans Head and the Richmond River Shire and Casino Councils merged to form the Richmond Valley Council. From this period onwards the community has experienced numerous retail changes, traffic and road use change, as well as proactive community and tourism development initiatives. Given that these occurrences tend to coincide and accumulate during this period, it suggests that Woodburn is experiencing a period of change after enduring a lengthy period of static development.

Timeline Question Three: Are there significant circumstances that have shaped tourism in Woodburn?

It is difficult to isolate any single circumstances that have affected tourism development in Woodburn. The lengthy period of static development, however, may be partly explained by the role of Woodburn as a small point along the major highway of eastern Australia. It can be suggested that the objectives of the highway authorities, who would prefer a smooth flow of traffic, may have been a key source of limiting the ability of Woodburn to engage in tourism development. Additionally, it can also be suggested that the role of neighbouring communities, particularly Evans Head, as popular tourism destinations may also have overshadowed Woodburn for an extended period. These two possibilities are speculative, however, but do represent valid situational factors that can play a role in shaping the tourism development of Woodburn.

The sudden flurry of activity in the late 1990s appears to coincide with a collection of significant events. The first is the council amalgamation in 2001. The second is the upgrade of the Chinderah to Yelgun section of the Pacific Highway (more than 100 km north of Woodburn) in late 2002 and the abrupt increases in through traffic. The third is the relocation of high school students to new facilities in Evans Head in 1999, which diverted economic impacts of parents away from Woodburn during the morning and afternoon periods. A fourth and more ongoing factor is the residential expansion of nearby Evans Head. Prior to these occurrences, however, recall that the community had already taken steps to engage in community economic development. This suggests that, even without significant changes in the surrounding environments, the Woodburn community was already sensitive to acknowledging the need for development. It appears that the environmental circumstances have merely provided more opportunity and incentive for Woodburn to engage in community and tourism development.

Chapter 8

Economic Capacity

Employment

According to the 2001 Census, 82.6% of the employable population in Woodburn is employed. The unemployment rate of Woodburn (13.79%) is above the national unemployment rate (6.1%). This may be associated with the high rate (22.42%) of Woodburn families living near or below the poverty line. The youth unemployment rate is also high in Woodburn (14.28%).

Retail trade is the principle occupation in Woodburn (24.37%), followed by Manufacturing (11.94%), Agriculture, Forestry and Fishing (7.96%) and Government, Administration and Defence (7.46%). Accommodation, cafes and restaurants are one of the lowest occupation categories in Woodburn (3.48%).

Business and Development Context

Current research indicates that the Woodburn community is taking action to respond to changes in the surrounding social environment (see Chapter 7). There appears to be three separate groups in Woodburn voicing a response to these issues: the retail business community; the Woodburn Chamber of Commerce (WCC) and the RVC. A brief overview of the interests of each party will be outline below.

Briefly, the RVC sees Woodburn as an important gateway for the Shire and, with the increase in traffic and population trends, Woodburn offers the Shire a valuable opportunity to increase the tourism profile of the shire in general. To this end, Woodburn is viewed as the Shire's 'shop front' to Pacific Highway opportunities therefore it is in the interests of the shire to establish a Visitor Information Centre at Woodburn and engage urban planning and beautification projects. Research indicates that Woodburn exercised a level of indifference to Shire amalgamation in 2001. This may be due to minimum immediate impact observed in the Woodburn community as a result of amalgamation, issues relating to the location of Woodburn or issues more complex. Relationships between the Woodburn community and the new RVC are currently being nurtured by increased council presence in the development of Woodburn.

The business community, although many are involved with both the WCC and the RVC, need to ensure the viability of their interests (unfortunately due to disagreements poor relations have emerged between some business and council/Chamber of Commerce). Each has its own experience and reliance on tourism (passing motorists in particular) but, more specifically, each also has limited freedom to pursue future development or project involvement. A proportion of Woodburn businesses are undertaking or have recently undertaken upgrade and refurbishments of shop spaces. Many businesses (takeaways in particular) rely heavily on the business of passing traffic, while others display partial dependency but have diversified their product base to not only take an entrepreneurial approach to the fickle traffic market, but also to retain the expenditure of the local community. Research indicates that the majority of Woodburn retailers have sought to overcome these dilemmas by building customer loyalty. But, it should be noted that in a low population area there is a higher probability of the consumers being attracted to areas with greater shopping opportunities. Therefore singular or dual market interests reside in some organisations and freedom to pursue future development is dictated by the spurious profits offered by the applicable market interests.

The WCC is the pivotal force behind the future mindedness emanating from the township. Given that many of its members are associated with a number of other community or volunteer organisations, the WCC is peopled by individuals who are closely aligned to the values of the township, its aspirations, its deficiencies, its tourism characteristics and the overall needs of the community. Impetus for a community strategic plan was first motivated in 1997/98, but unfortunately due to the loss of a key campaigner, the program was put on hold. Recent re-ignition of the strategic plan coincided with RVC amalgamation in 2001, as well as increases in both the population and traffic flows on the Pacific Highway. The WCC is currently working with the council, as well as authorities such as the Roads and Traffic Authority (RTA), on a number of projects and proposals. To date, discrepancies have emerged over issues such as the allocation of funds, community consultation, proposal specifications, conflicting objectives or, where some businesses are concerned, added competition within the CBD. A burgeoning factor moderating the extent of WCC proposals is the 'smooth flow of traffic' policy of the RTA, which is a significant consideration in any proposals in the vicinity of the Pacific Highway. The basic implication is that the RTA would prefer any development in Woodburn to not compromise the flow of traffic. Many of these issues remain as ongoing challenges facing the future development of Woodburn.

Overall, the current position within Woodburn is dictated largely by factors originating outside of the town. Where the business community is concerned, the main economic issues appear to be the retention of local consumers and capitalising on a fickle motorist market, although many retailers have nurtured customer loyalty in response to these conditions. Woodburn is stimulated by a need to 'catch up' with what's going on around them, thus the WCC appears to have an urgency to put forward a competitive bid against surrounding areas. Entrepreneurship is prevalent among businesses not because of competitive rivalry; rather it is in response to retaining local consumers in a low population area and the need to capitalise on the motorist market. Over the last few years a culture of innovation has emerged in Woodburn in response to conditions and competition outside of the community. Further, Woodburn also has a divested ally in the RVC.

Industry Analysis

A total of eight responses were received from twelve organisations approached (a response rate of 67%) to take part in the Business Perceptions Survey (see Appendix A). Participants in the survey included arts and crafts, retail, clubs and food outlets. The overall results from the survey are presented in Table 2. According to Table 2 the majority of the competitive forces in the Woodburn tourism-related industry are rated as low. According to the Competitive Forces Model (see Chapter 3) this scenario indicates that there should be a favourable environment for industry profitability in Woodburn. Notwithstanding, many survey respondents indicated that profitability is indeed low, a factor survey participants often attributed as a result of high operating costs. According to Table 2 the only force acting against the industry is high customer power, which can also affect profit margins and similarly create an undesirable environment for new businesses entering the market. Alternatively, however, established businesses can regard this as an advantage because the sense of customer power has enabled them to develop (over time) strong customer loyalty. The following discussion outlines the impact of each competitive force on the (tourism) industry in Woodburn.

Table 2: Woodburn (tourism) industry analysis

COMPETITIVE FORCES	LEVEL
Entry barriers	Low
Rivalry amongst competitors	Low
Threat of substitute products	Low
Determinants of customer power	High
Determinants of supplier power	Low

Entry Barriers

There is a low level of entry barriers in Woodburn, a key factor that should allow the early growth of new businesses. Elements contributing to this factor in Woodburn include high difference of produce, good ability to distribute products and low expected retaliation from competitors. Major factor acting against industry profitability is a lack of capital. Survey respondents also indicated that insufficient capital in starting-up a business is also a common element that limits industry growth. Ardour Fashion illustrates an example of the low-level entry barriers in Woodburn. Ardour Fashion found it relatively easy to enter the industry largely because at time of start-up there were no other fashion stores operating in Woodburn. With no direct competition in Woodburn it allowed the business to concentrate its resources on competition outside of the area, leaving it relatively unchallenged by other businesses in its immediate area.

Rivalry Amongst Competitors

The degree of rivalry amongst competitors in Woodburn is low. This research has revealed that the main elements influencing this competitive force appear to be a low concentration of competitors in the Woodburn area and high customer demand. These elements can be linked to the efficient distribution of market segments per business. Given the low number of local businesses this situation appears to aid the sustainability of many organisations within the township (see Chapter 7). There are, however, a small proportion of Woodburn businesses who claim it is hard to compete. To these organisations, the main limiting factor is high operating costs. This illustrates the limited resources available to carry out marketing. Insufficient capital can also reduce the potential of product development, seizing new opportunities and market segments, and effective advertising.

Threat of Substitute Products

According to Table 2 the threat of substitute products in Woodburn is low. This condition may be related to the ability of organisations to differentiate their business, thereby creating a kind of product that others will find hard to replicate. Interestingly, product price does not have a heavy influence over demand. For example, arts and craft stores such as Hand-Crafted Creatures provide unique hand made products where originality is reflected in price and availability. In this case the likelihood of competitors introducing comparable substitutes is very low. Overall, the lack of product substitution appears to nurture the sustainability of established businesses.

Determinants of Customer Power

The determinants of customer power are high. It is the single force, according to the Competitive Forces Model (see Chapter 3), acting against the profitability of the (tourism) industry in Woodburn. In particular, high customer power in Woodburn does not favour new businesses entering the market primarily because existing businesses already have a strong sense of customer loyalty. Also, new businesses that do not differentiate will find it difficult to attract customers as well. The present situation reduces the potential for new businesses to operate, causing a negative effect on industry growth. Again, existing businesses capitalise on this condition by enjoying operational sustainability through customer loyalty.

Determinants of Supplier Power

The determinants of supplier power are low in Woodburn. While low supplier power may be attributable to high supplier concentration, it may also cause high competition amongst the suppliers. Indeed, a low volume of demand placed on suppliers is an additional element that affects the low level of this competitive force. This benefits small businesses in Woodburn, giving them a bargaining advantage. In general, suppliers in Woodburn do not have a great influence over competitive strategies and business growth.

Chapter 9

Future Vision

The future development of Woodburn is being driven by a combination of three key interest groups; the WCC; the retail business community and the RVC. Currently only a limited level of coordination and communication exists among and between members of these parties. The party most uninformed appears to be retail business, some of whom are undertaking individual developments without a great deal of input from the other interest groups. The concurrence of these initiatives, however, reflects the sensitivity of the community as a whole to the changes occurring outside of Woodburn. Within Woodburn itself there is a level of consensus, whether through direct contact or not, as to the manner in which the town needs to respond. There are future and immediate projects with the capacity to consolidate a cooperative development approach of Woodburn. Some of these projects are highlighted in the list below:

- Urban Planning Project currently undertaken between the RVC and the Woodburn community.
- Projections of a highway bypass in coming years have stimulated the community to prepare for repercussions.
- Ferry quarters development into a Community Technology Centre (CTC) and Visitor Information Centre (VIC).
- Riviera Café plans to refurbish interior with river maritime theme.
- Mini Supermarket upgrading to IGA.
- Planned extensions to the Riverside Park.
- Bid to develop vacant plot into overnight stopping area for motorists.
- Townlife Development Plan identified a collection of projects underway in Woodburn.
- Implement bridge lights visible to passing traffic in attempt to create a point of interest along the Pacific Highway night time travel route.

Many of these projects and proposals have emerged only recently, which suggests that an event has occurred with positive cataclysmic effects on the Woodburn community. Research indicates that up to three or more key events may have contributed to a period of change spanning several years. These include Council amalgamation; Pacific Highway upgrades; the relocation of high school students; and the ongoing residential expansion of Evans Head. Combined, these events appear to have led community members to assess the sustainability of Woodburn into the future. Evidently, the majority of projects and proposals identified above seek to tackle this issue.

Chapter 10

Innovation Context Analysis – Woodburn

This section of the report will analyse Woodburn using the innovation context framework highlighted in the report Prosper, Understanding Regional Tourism: a Description of Methodologies Employed in the Prosper Program. Woodburn will be analysed according to each individual innovation context highlighted by the theoretical framework. The discussion will primarily draw on the information described in the Woodburn case study. Each innovation context analysis will conclude with a performance checklist of the innovation context indicators. Each individual checklist will add to an overall picture of Woodburn's capacity, according to the Prosper research, to engage in innovative tourism development. The overall analysis will conclude with a diagnostic synthesis of capacity for innovation indicators observed in Woodburn.

Woodburn Economic Competence

Many retailers in Woodburn can be regarded as economically competent, but only to a certain extent (see Table 3). The limited local market and fickle motorist market characteristics have prompted many businesses to take full advantage of the immediate market opportunities, despite the imminent threat of highway closures due to traffic accidents. Some of the strategies implemented by retailers include product diversification (see Chapter 8), extended operating hours, maintaining business simplicity and catering to local market needs. Indeed, in such an economically challenged context, the majority of businesses boast a high level of sustainability (see Chapter 7 and Chapter 8). This may be a result of the consistency of both markets in that one is endemic and the other is quasi-captive. Longevity may also be attributable to the capacity of retailers to build customer loyalty in both key market groups. To this extent, the apparent focus of retailers on maintaining and servicing these markets appears to have played a role in creating clustering and entrepreneurial issues identified later in Chapter 10. The result then, is that long-term retailers in Woodburn are adept at tailoring their businesses to the needs of these markets.

While longevity may have the benefit of sustainability, it may also impart a routine approach to servicing markets and a stifled capacity to detract from well-learned routines. For instance, the nature of Woodburn's key markets may dictate the profitability of Woodburn retailers and resulting low level of business upgrade. The fickle markets serviced by Woodburn offer little scope for lucrative profit. While high demand businesses such as the mini-supermarket has the yield to attract maximum economic potential, other retailers such as takeaways and cafes have less need-driven demand. This may attribute an explanation towards current mini-supermarket upgrade and expansion into an IGA type establishment. Conversely, one takeaway establishment, the Parkside Café, has recently received extensive refurbishment. Sources have indicated, however, that the Parkside Café was revived from severe fire damage, therefore it is arguable that the refurbishment of this takeaway/café arose more from necessity rather than choice. Finally, the capacity for business improvement is also directly affected by the tenure of shopfronts and the need for business operators to maintain service to their markets. If retailers reduce hours or close for extended periods, profitability could plummet significantly. Taken together, this series of issues demonstrates the kind of influences that nurture a productive routine, but hinder the learning capacity of the retail community.

Not all Woodburn businesses are in the same boat. There are proportions who have managed to service markets further afield, or simply occupy industries with more stable demand. Ardour Fashion has an outlet based in Woodburn, but distributes their product to stores throughout Australia. Similarly, the Woodburn Bowling Club capitalises on external markets by attracting bowling enthusiasts from the around the northern New South Wales region. In both cases, these organisations have overcome the constraints identified above by servicing external markets. Thus, under this rationale, organisations such as these would have slightly more freedom to bolster business support for community development.

The Woodburn Chamber of Commerce (WCC), a vehement advocate of community development, demonstrates the most visible example of learning capacity within Woodburn. The range of opportunities and proposals driven by this group (see Chapter 9) reflect an understanding of the change within and external to the community identified earlier. WCC pro-activity represents an ability to assess community capacities against this change and formulate new, non-routine responses to these challenges. The efficacy of the WCC is commendable. For example, the 'bridge lights' initiative drew support from both the RVC and LCC. Indeed, if future projects such as these offer favourable rewards to both Shires, the WCC is well positioned to rally support from both the RVC and LCC. Thus, if Woodburn development is proven to benefit wider local government areas, then the development is more likely to attract valuable local government support.

This research indicates that the community has experienced and is attempting to respond to a number of events in the surrounding environment. These events include council amalgamation; Pacific Highway upgrades and subsequent traffic increases; the relocation of high school students to Evans Head; and the residential expansion of nearby Evans Head. A range of projects spawned from these circumstances are listed in Chapter 9. In part, these activities will also contribute to overcoming clustering and available tourism resource utilisation issues identified in Chapter 10. A further issue associated with the success of these projects relates to gaining cooperation and support from the RTA (see Chapter 8). Overall, however, these projects represent sensitivity to changes and a desire to move forward, but under constraints such as partnership impediments, under-utilisation of resources and issues relating to clustering and entrepreneurship.

Table 3: Woodburn economic competence indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Ability to capitalise on regional tourism opportunities				✓	
Ability to capitalise on core competencies			✓		
Ability to sense change					✓
Ability to overcome opportunity impediments		✓			

Woodburn Clustering of Resources

As with any township, Woodburn has a central business district (CBD) housing the principle retail activity (this area also has the largest concentration of employment opportunities). The CBD is located in a ribbon along the southern side of the Pacific Highway as it passes through town (see Figure 6). Within this small precinct is a diverse array of retail and services, including cafes; bakery outlet; chemist; clothing; craft stores; fuel; pub; butchers; and a mini supermarket. The current climate among this collection of businesses is co-existence, with little overt competition exercised by any of these organisations (see Chapter 8). The need to retain local consumers and the fickle motorist market appear to have imparted a level of consensus between Woodburn business groups. Where the highway is concerned, retailers are highly confident that traffic will continue to flow and offer them a 'reliable' but fickle market. Businesses maintain simplicity, all the while exercising entrepreneurship and product diversity to service the two main markets. The result is a 'no frills' approach to fresh thinking.

Figure 6: The spatial relationship between the retail ribbon and Riverside Park



Photo: Jim Macbeth

The culture of business coexistence has a direct influence over the opportunity and manner of interaction between the clustered business groups. It appears that these organisations have had little need over time to develop a sense of urgency or formalised processes to build on the advantage of favourable clustering in the CBD. Instead, the contentedness and close proximity of diverse businesses, coupled with the retention of fundamental community values, has overall nurtured an environment dominated by informal communication. This point does not refute the ability of Woodburn business people, the influence of community driven marketing or the role of the RVC, it instead points to the problem of finding the best avenues to maximise on the organisational clustering in the CBD. Referring back to communication, there appears to be an opportunity to engage in processes designed to build on the geographic conditions within Woodburn and the level of organisational diversity within the area.

The highly clustered CBD precinct is unladen with suggestion of surrounding features. Apart from directional signage and limited material forwarding Richmond Valley features, there is a lack of surrounding features incorporated into the CBD. Furthermore, there is also a limit in the sense of historical identity, in terms of river-based themes and so on, offered within this area. The reasons for this are unclear. Considering that this is the most important area of congregation in Woodburn, there is merit in the added presence of all aspects of Woodburn's identity.

The CBD is immediately proximal to some of Woodburn's unique selling propositions (USP's): the Richmond River and the Riverside Park. For many years this proximity has offered retailers the opportunity to capitalise on the market sustained by these factors. But, according to research the retail ribbon exhibits a sense of 'detachment' from the adjacent Riverside Park. The reasons for this are unclear, although some possibilities might be the culture of business co-existence, Woodburn's 'contentedness' with its transitory role, the volume of traffic dissecting retailers from the park, or even the two-way nature of the traffic itself. Further barriers may also include RTA regulation; lack of formal communication; distal property ownership; and lack of capital. While some of these barriers are highly problematic, others, such as co-existence, are amenable permitting careful (or careless) evaluation of alternative options. Clearly an alternative is increasing the sense of competition within the CBD. Competitive spirit has the potential for competitors to maximise the utility of the resources at hand. Competitiveness encourages vibrancy and charisma – two features unfortunately underrepresented in the Woodburn CBD. Such action, however, may be more favourable coinciding with broader community development projects, and under a certain level of cooperation (see Table 4).

Table 4: Woodburn Clustering of Resources Indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Ability to capitalise on market access opportunities			✓		
Diversity of regional tourism resources			✓		
Spatial relationship between tourism resources		✓			
Integration of regional tourism resources		✓			

Woodburn Networks

Clearly the task for the Woodburn community is moving forward. To this extent, involvement is required from most community and interest groups. Given the sensitivity of the community to changes in the surrounding environment (see Chapter 7), a great deal of community support should be forthcoming, although resistance to change may be an important issue in this debate. Indeed, resistance to change is usually driven by high levels of uncertainty and, considering that Woodburn is characterised by informal communication channels, uncertainty could pervade the perspectives of some key interest groups. Therefore the community would benefit from an intermediary, an agent whose role is to simply facilitate all parties in working towards a common goal. Currently the WCC is acting in this role with considerable success.

The benefit of an intermediary agent is the ability to communicate community interests both within the community framework and to external organisations. Clearly the agent must embody all or most facets of the Woodburn community. The WCC exhibits a strong sense of professionalism, local identity, historic and visionary affluence, but appears to lack influence from the younger Woodburn generation and sections of the

retail community. Indeed, strengthening these links would consolidate community-oriented development both internally and externally. For example, research indicates that the retail ribbon exhibits a sense of ‘detachment’ from the adjacent Riverside Park. The reasons for this are unclear, although some possibilities might include the culture of business co-existence, Woodburn’s ‘contentedness’ with its transitory role, the volume of traffic dissecting retailers from the park, or even the two-way nature of the traffic itself. Needless to say, stronger retail presence in WCC activities would contribute to overcoming the detachment issue. Indeed, it may be that involvement from some retailers will also symbolise the recruitment of the younger generation as well.

The WCC has a demonstrated ability to act in most roles of the intermediary agent. The success of the agent, and ultimately the success of the community, hinges on the competence to move successfully through all situations. In the past the WCC has been instrumental in tabling the Woodburn Strategic Plan, engaging Council and authorities over development propositions, rallying support for the ‘bridge lights’ initiative from various groups including both of Woodburn’s local government administrators, and on rare special events the WCC have even managed to close Woodburn to highway traffic. Clearly Woodburn is benefiting from a capable and proactive community intermediary. Slight speculation may exist regarding an over-reliance of Woodburn on this community group. However, increased retail and youth involvement would help distribute WCC responsibilities. Newcomers are also likely to receive thorough induction and a virtuous mentor in WCC members (see Table 5).

Table 5: Woodburn network indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Regional interest group collaboration			✓		
Presence of intermediary agents				✓	
Value adding through association/partnerships			✓		
Opportunity for interaction between interest groups			✓		

Woodburn Development Blocks

The Woodburn community is comprised of a limited number of interest groups. Internal interest groups include industry; farming; retail; tourism; voluntary; parents and citizens; youth; clubs; historical; and cultural. Due to low population, there is a high incidence of cross-membership of community members from one group to another. Therefore the likelihood of many individuals having more than one community-related perspective is high. Immediate quasi-interest groups include both presiding LGA administrators, the RTA, and to a lesser extent state forest and national park authorities. A common thread for all quasi-interest parties is high level internal interest in Woodburn, characterised simultaneously by an equally high level of externality from the community. For example, Woodburn is only a small point in vast state-wide network of roads administrated by the RTA whose interests are of these networks as a whole. Similarly, Woodburn’s proximity as an outlier in both LGA’s has resulted in isolation from key administration centres (in recent times this trend is being reversed). The challenge for quasi-interest parties is overcoming barriers of perceived externality from the internal Woodburn community identity.

The concept of development blocks suggests that innovation potential lies in the dynamic influence of disequilibrium. Disequilibrium within the block creates a tension, or dissatisfaction that drives a desire for tension release. When the desire turns into activity it usually equates to innovative behaviour (i.e. using creativity to overcome perceived challenges). Thus disequilibrium is instrumental for building blocks to facilitate innovative processes. Woodburn development blocks include interest groups identified above, as well as key features of the community. This report will highlight findings on some of the key building blocks investigated in the research (see Table 6).

Retail

Unfortunately this research was unable to document all retail organisations. But, as expected the retail community sample exhibits equilibrium and disequilibrium tendencies. The mini-supermarket, for example, has a loyal, and in some cases captive, market that is bound by the distance involved in pursuing alternatives. Quite often these alternatives are large and offer more superior shopping opportunities than in Woodburn itself. The tension created by this condition (disequilibrium) is leading the Woodburn mini-supermarket to undergo upgrade to a branded, more diversified establishment. Similarly, other retailers, like the Riviera Café, feel that they can offer the motorist market more than just a bite to eat. The café plans to incorporate historical and maritime

themes into the overall décor and shopfront of the establishment. In this state of dissatisfaction however, it can be observed that disequilibrium can be countered by conditions such as limited time and resources.

At the other extreme some retailers in the CBD appear to be in a state of equilibrium. Ardour Clothing Designs, for example, enjoy the relative security of national distribution as such that, if these channels remain sustainable, its Woodburn outlet is resilient to the market forces experienced in Woodburn. Hand Crafted Creatures also exhibits an equilibrium state through resilience of Woodburn market forces, but here it is via exclusivity, high demand and long waiting lists. A further example is the nearby Parkside Café, which counteracted typical Woodburn marketing challenges through extended operating hours. The successful after-hours long haul market (truckies) niche allows the Parkside Café to experience little tension and offer the business a state of equilibrium. In all three cases there appears to be little tension to stimulate disequilibrium. In this sample it is these businesses which have little intrinsic (profit or otherwise) need to implement change processes.

Woodburn Chamber of Commerce (WCC)

The WCC exhibits a state of disequilibrium. This is apparent in the breadth of opportunities identified and currently pursued by this group. Tension and dissatisfaction arise from a number of sources. The most prolific include the vacant ferry building, development potential of the Riverside Park and the development potential of a vacant allotment controlled by the Department of Education.

Richmond Valley Council (RVC)

Where Woodburn is concerned, the RVC exhibits strong sources of tension. On a political level, Woodburn's 'outlying community' role in the shire needs to be reversed with increased presence of the Shire in the community. On an economic and tourism level, the RVC currently does not fully exploit Woodburn as the Shire's shopfront to Pacific Highway traffic. The Shire is mobilising resources to establish a VIC in Woodburn to capitalise on this opportunity. Where Woodburn is concerned then, the RVC is experiencing disequilibrium on at least two different levels.

Roads and Traffic Authority (RTA)

The primary concern of the RTA is the smooth flow of traffic and maintaining its state-wide network of roads. The principle source of tension arising from Woodburn is the slowing of traffic to 60 kph. In 2000/01 the RTA erected an unbroken median strip matching the length of the main CBD area. This move was in line with its 'smooth flow of traffic' policy that largely discourages placing pedestrian crossings and roundabouts on the highway system (the median strip does contain a designated 'safety island' for pedestrians). The addition of pedestrian and roundabout facilities would provide travellers with more options when stopping in Woodburn. Therefore it appears that the RTA has implemented measures in line with its' objectives, resulting in a relative state of 'equilibrium' in its association with Woodburn.

Riverside Park

Sections of the Woodburn community and the RVC have identified sources of tension arising from the current park amenities. These groups argue that while the park receives a constant flow of visitors throughout any given day of the week, very little overall benefit from these visitors flows into the community. This lack of performance has urged various development proposals to overcome the challenge of maximising benefits from park visitors. In addition, clustering issues identified by this research also represent a possible source of disequilibrium from this development block (see Chapter 10).

Tourism Identity

This research argues that visitors to Woodburn usually experience two principle features of the community: the Riverside Park and the Richmond River. The tension here is that Woodburn appears to have limited itself to a transit route role where the 'smooth flow of traffic' policy of the RTA has subsumed the relevance of community identity. This research also argues that Woodburn has a wealth of features to add to its current tourism identity (see Chapters 5, 6 and 10). By recognising this condition the community is well poised to identify strategies to provide visitors with a rich account of Woodburn, its history and landscapes.

Overall, this research has acquired an incomplete picture of all building blocks relevant to the Woodburn community. Research has been unable to incorporate a number of vital sources, including New Italy, key industry groups, state forestry and national parks. The data available, however, suggests very mixed, but largely positive, conditions for innovative processes within Woodburn. Disequilibrium appears to dominate the internal

states of most building blocks within the community. The key challenge for all interest groups is to reach agreement on processes and desired outcomes on the future of the community.

Table 6: Woodburn development blocks indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Disequilibrium in existing Development Blocks					✓
Ability to utilise Development Block opportunities		✓			
Construction of Regional tourism identity			✓		
Diversity of existing Development Blocks			✓		

Woodburn Critical Mass

Given the clustering of resources issues raised in Chapter 10, the inclusion of all possible features into the CBD area will introduce new sources of expertise and ideas. This current lack of ability to maximise on all available expertise is also evident in the retail ‘detachment’ from the Riverside Park observed in Chapter 10. Elsewhere, however, there are positive signs that expertise is being sought and expended on consolidating a critical mass (see Table 7). Indeed, the role of Woodburn as a key reference point, rather than a transit point, has attracted serious interest from the RVC. The council, along with the WCC, plans to establish a Visitor Information Centre (VIC), along with a community driven Community Technology Centre (CTC), at the Riverside Park site (see Figure 7). A VIC will have the benefit of pooling geographically dispersed tourism resources into one convenient, demand-based structure. To this end, a VIC complex represents a significant step in overcoming limited presence of surrounding features in the Woodburn landscape.

Figure 7: The old Ferryman’s Quarters in the Riverside Park



Photo: Jim Macbeth.

A VIC offers Woodburn a range of benefits. First, it creates a sense of critical mass over and above the River/Park relationship in Woodburn’s key congregation area. As a facility, it also offers an opportunity to ‘package’ a more detailed account of Woodburn’s colourful identity, with more scope to capitalise on clustering through the incorporation of historical themes and features of the surrounding landscape. Third, it will attract information seekers to the community. Fourth, it will improve the regional profile of the community by establishing it as a regionally significant reference point. This should also encourage more regionally-oriented thinking within the community itself. And last, but probably not least, it offers the community a viable solution to the long-standing dilemma of utilising the vacant ferryman building in the Riverside Park.

Currently the issue of critical mass of resources appears to be outstanding. Overall the high activity area of Woodburn appears to lack a complete representation of the Woodburn identity. This situation illustrates the need to nurture existing development blocks and, perhaps more pressing, the need to identify potential development blocks currently underutilised by Woodburn.

Development of a VIC/CTC will contribute to overcoming this issue. However, a viable situation cannot be sustained by this single piece of infrastructure alone. The close proximity of the retail sector to the park areas

and so on offers real scope for retail involvement in creating a strong and diversified critical mass in the CBD area. A current example of retail effort is the Riviera Café plans to incorporate historical themes into dining areas. Here is clear indication of the kind of retail flamboyance that will introduce the unique Woodburn identity to visitors and link the retail sector more closely to the River and park areas. As highlighted earlier, however, if retail competition is to be encouraged in Woodburn, then it may benefit from a certain level of cooperation.

Table 7: Woodburn critical mass indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Composition of existing Development Blocks		✓			
Existing Development Block infrastructure			✓		
Expertise supporting existing Development Blocks			✓		
Composition of potential Development Blocks		✓			

Woodburn Role of the Entrepreneur

This report has revealed that the business, particularly retail, community is adept at idea generation. Discussion in Chapter 10 has highlighted that the longevity enjoyed by many Woodburn retailers in the CBD area has allowed the development of a careful understanding of market needs. Product diversification implemented by many Woodburn retailers, for example, is a deliberate effort to retain and service the local market with the added advantage of convenient access to the motorist market. This report also suggests that the longevity of these conditions have nurtured a business environment characterised by coexistence, customer loyalty and a limited sense of overt competition. Within Woodburn itself, retailers enjoy an environment low in product substitution (hence low competition) which is reflective of a low volume and concentration of retail activity within the township.

The pre-eminence of market conditions appears to exert control over the freedom for flamboyant ingenuity. Local consumer retention strategies must consider price structures that are competitive with that of alternative and more well endowed shopping locations found away from Woodburn. Thus with a limited consumer market the freedom for profit generation of many Woodburn retailers appears to be constrained. This condition also adds to limit the ability of retailers to engage in overt flamboyance because servicing the main market requires significant money, time and resources. Given that profit margins are low in general and that many retailers are small, then many only have a very limited pool of resources from which to draw. Woodburn retailers are at an advantage, however, in that their position on a major transit route helps to reduce the costs of advertising.

Diversity has allowed some Woodburn retailers and businesses to overcome market dictatorship. Whether these businesses reside within the CBD area or beyond, as long as the ability and commitment is favourable, they have a slight degree of freedom for overt flamboyance over their market-constrained counterparts. Although the opportunity to become sirens of community development seems attractive, there are always circumstantial issues that need appreciation. To Woodburn's favour though, the tight clustering of the retail community offers the opportunity for approaches based on clustering, pooled idea generation, resources and initiative.

Colourful entrepreneurial activity carries with it an element of risk and uncertainty. In Woodburn risk can be minimised in two respects: develop a retail approach based on clustering; and, second, bolster the resource base with input from wider community groups and local government. Notwithstanding, freedom will be bound by the capacity of interest groups to contribute to future processes, be it funding, idea generation, consensus, approval or commitment. The collaborative approach suggested here will serve well when courses of action are carefully tailored to the opportunities offered by the economic environment, matched with the capacity of lobby groups. In overcoming risk, importance should be afforded to maintaining simplicity, consolidating existing resources and building on individual success.

Entrepreneurial activity is potentially a leading factor in helping Woodburn achieve any future aspirations (see Table 8). The nature of clustering in Woodburn highlighted in Chapter 10 is highly conducive to the development of collaborative entrepreneurial approaches among the retail and business community. Collaborative does not mean becoming homogenous, instead it suggests to raise and capitalise on community strengths by fostering individual excellence built on these strengths. Thus an important part of the collaborative process is the identification of these common strengths. The business and retail report card described throughout

this report shows encouraging signs of entrepreneurial competence. Retail longevity and the ability to overcome challenging market conditions suggest a potential resistance to change, but it also suggests a hidden, but accessible openness to learning. In a learning environment, uncertainty reduction becomes less of a concern and more of a stage in creative processes. The sensitivity of Woodburn to change leaves the community well poised to engage in this kind of activity.

Table 8: Woodburn role of the entrepreneur indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Presence of entrepreneurial role models			✓		
Market knowledge			✓		
Presence of risk taking behaviour		✓			
Sense of future orientation					✓

Woodburn Production and Distribution of Knowledge

The overall character of the Woodburn community has led to a situation of rising importance placed on research and development (R&D). This may be attributable to a couple of key characteristics. The first relates to a long-term limited capacity of small-scale industry to devote resources to research activities. The majority of Woodburn business is small, with no real presence of franchising or elaborate organisational structures. The result is a minimum freedom of private R&D investment capital in the community. The most likely source of R&D investment is local government or outside funding schemes, highlighted by the recent Townlife Development Plan. In this case involvement from local government has paved the way for an increased capacity for community members to become involved in development activities.

From a tourism research perspective, there is very little existing research available to build knowledge among Woodburn interest groups. Currently information is available from a few sources: Census data (ABS); local government; and the RTA. Most of this data, however, is not related to tourism. A further complexity is the size of Woodburn means that it is overlooked by national tourism research agencies such as the Bureau of Tourism Research. Within the community itself there appears to have been very little effort to implement any form of tourism research. While this situation may be reflective of limited resource capacities, it may also be attributable to the 'transitory' tourism role played by the community, the certainty of ongoing expenditure by highway motorists and minimal recognition of the community at a regional level.

The current research indicates that passing motorist traffic is a key source of income for Woodburn retailers, representing an estimated 66% of retail income. Unfortunately, quite often motorists may stop and enjoy the Riverside Park only to limit their stay to this experience alone. Community leaders feel that, with the perceived consistency of this type of visitor, this kind of activity represents a serious loss of economic opportunity for the community. To date, there appears to be little research into this matter. Elsewhere this report has argued that Woodburn is highly sensitive to its market needs. However, after a brief review of the community R&D background it is arguable that this knowledge lacks intimate detail. Hence, this limited knowledge of the motorist market should be considered as a valid source of uncertainty for Woodburn business and development groups.

The ability to carry out research is often viewed as something that should be left to the experts. This expression becomes somewhat of a myth, when considering exactly who or what constitutes an 'expert'. Quite often the level of information required at a community level is sufficient to qualify members of the community as the ideal experts to implement the research. The information required may be readily available and highly familiar to some community members, needing only some form of standardised data collection and an understanding of fundamental data analysis principles. Ultimately such an evaluation should be made by the Woodburn community, but considering the features highlighted in the previous paragraph, a level of tourism research is achievable by the Woodburn community without significant outside assistance or sponsorship (see Table 9).

Table 9: Woodburn production and distribution of knowledge indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Presence of formal research	✓				
Access to research institutions				✓	
Diffusion of information		✓			
Whole of community research approach		✓			

Woodburn Role of Local Government

The administration of Woodburn is shared between two local government areas: the Lismore City Council (LCC) and the Richmond Valley Council (RVC). With 81% of the Woodburn community residing in the RVC area, the RVC assumes the greatest presence in the township, both in terms of population and geographical territory. The RVC plays a significant role in the ‘ordinary’ local government duties in Woodburn (i.e. social and urban planning, infrastructure, civic duties and services). While the same remains true for the LCC, actual identification of the 19% of Woodburn with the LCC is less prominent. Indeed, this is perhaps reflected in the ‘official’ LCC Woodburn statistics being either difficult ascertain or aggregated with several neighbouring communities within the LCC area. The LCC does display its commitment to Woodburn through its support for initiatives such as the ‘bridge lights’ project (see Table 10).

In a tourism sense, the role of Woodburn as a key reference point, rather than a transit point, has attracted serious interest from the RVC. The RVC sees Woodburn as an important gateway for the Shire and, with the increase in traffic and population trends, Woodburn offers the Shire a valuable opportunity to increase the tourism profile of the shire in general. To this end, Woodburn is viewed as the Shire’s ‘shop front’ to Pacific Highway opportunities therefore it is in the interests of the shire to collaborate with the WCC to establish tourism infrastructure such as a Visitor Information Centre (VIC) at Woodburn and engage urban planning and beautification projects. A VIC will have the benefit of pooling geographically dispersed tourism resources into one convenient, demand-based structure. From an innovative context perspective, the RVC currently does not fully exploit Woodburn as the shire’s shopfront to Pacific Highway traffic. To this end, a VIC complex represents a significant step in overcoming limited presence of surrounding features in the Woodburn landscape.

Research indicates that Woodburn residents exercised a level of indifference to shire amalgamation in 2001. This may be due to minimum immediate impact observed in the Woodburn community as a result of amalgamation, issues relating to the location of Woodburn or issues more complex. An unrelated infrastructure decision, in which the RVC erected toilet amenities in location ‘detached’ from the primary Riverside Park area (which already had toilets), of which some key community members claim to have had little or no knowledge of the move. The community members questioned merit of the decision and argued that the funds could have been directed elsewhere. Indeed, some claim that they were under the impression that there were no available funds in the first place. From a planning perspective, the additional amenity block redirects some of the CBD congestion away from the area. This move places less tension on parking availability in the CBD.

Relationships between the Woodburn community and the new RVC are currently being nurtured by increased Council presence in the development of Woodburn. For example, RVC representatives from various departments, such as urban design, social development, tourism development and so on, have established a range of long-term projects aimed at building a better future for Woodburn. Similarly, the RVC has a long affiliation with tourism activities and community development in the community. Woodburn also features as a regional destination on the RVC tourism/corporate website. Moreover, the RVC has played a central role in developing a range of tourism signage and marketing material, advertising Woodburn and the RVC region as a whole. Therefore, despite any ‘issues’ that may exist between the RVC and the Woodburn community, the RVC remains a central pillar of tourism development in Woodburn.

Table 10: Woodburn role of local government indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Role in tourism development				✓	
Integration of government with community objectives			✓		
Provision of tourism infrastructure				✓	
Commitment of resources to tourism development				✓	

Chapter 11

Woodburn: Capacity for Innovation Contexts

The previous analysis applied capacity for innovation context analysis to the case study of Woodburn developed by Prosper researchers. The approach taken during the context analysis engaged discussion drawn from the case study data and framed by each focal innovation context. Subsequent context indicator ratings were derived from the analytical discussion and presented at the conclusion of each focal context section. As an analytical, as well as research presentation format, this approach may be limited in its ability to definitively highlight how conclusions were drawn from the research. The objective and practical implications of this approach will be reviewed via future Prosper case study applications and academic papers. Despite this concern, the approach features a rich data content that enabled a well-informed argument on matters that are highly complex and located within an elaborate framework of tourism, community and regional resources. The framework provided a mechanism to organise this complexity into a meaningful and measurable arrangement of concepts.

Table 11 reveals that the strong innovation contexts in Woodburn are networks; the role of local government; and the potential exhibited in entrepreneurial activity. The research indicated, however, that the potential of entrepreneurial activity may be constrained by a number of external factors, including relationships between businesses and business premises owners, and between businesses and the State Government Roads and Traffic Authority. These issues also affect economic competence. The most prominent challenges and limitations in Woodburn were found in the areas of research; clustering of resources; development blocks; and critical mass. These challenges may be reflected in the apparent lack of identity that Woodburn presents to existing and potential tourist markets. Overall,

Table 11 suggests that Woodburn appears to have skill sets that can facilitate innovation but may be constrained by substantial external factors affecting resource appropriation, and gaps in knowledge about markets, competitors and opportunities.

Emerging from the innovation context analysis is suggestion of levels of interaction between the contexts observed in Woodburn. For example, the research raised suggestion of links between research, clustering, critical mass and development blocks, with the common denominator among these concepts being tourism identity-related limitations of the Woodburn tourism development. In this case, if Woodburn were to build on clustering opportunities there is a strong possibility for this activity to make a direct contribution to enhancing some of Woodburn's development blocks. The strengthening of both of these contexts in Woodburn is also likely to contribute to critical within community development blocks. In all instances, these advances should have a positive overall effect on regional tourism development within the community. From this practical example gleaned from the Woodburn study, there appears to be a strong case to suggest that the enhancement of deficient innovation contexts within the regional framework can shape capacities for innovative behaviour, as well as overall regional tourism development in regional communities.

Practical Outcomes

Table 11 is a diagnostic tool that the community of Woodburn can potentially incorporate into tourism development efforts in the future. It highlights areas of capacity for innovation strengths and areas of concern that the community may wish to build upon, and which play an important role in community based approaches to tourism development. To assist the Woodburn community gain benefit from the study, this report offers suggestions for a more fertile environment for innovation. For example, the study indicates that Woodburn may wish to consider:

- Developing a community-driven research agenda to enable the acquisition, distribution and implementation of tourism data specific to the conditions and needs of the community;
- Taking steps to better understand and interpret community and regional tourism resources to provide visitors with a complete experience of the Woodburn identity;
- More comprehensively documenting and sharing the positions of stakeholders in relation to resource appropriation (for example, the conflicts surrounding the use of the highway as a means of accessing tourist markets versus the desire to optimise traffic flow); and
- Evaluating the potential of increased risk taking behaviour, particularly in retail activity, with a view to increasing competitiveness.

The outcomes of this pilot study, however, should not be regarded as a development plan blueprint or a means of achieving regional tourism success. Instead, the role of Prosper is to assess the challenges involved in harnessing innovation to recognise and respond to tourism development challenges, be they environmental, social, cultural, or economic.

Table 11: Woodburn capacity for innovation indicators

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Economic Competence Indicators					
Ability to capitalise on regional tourism opportunities				✓	
Ability to capitalise on core competencies			✓		
Ability to sense change					✓
Clustering of Resources Indicators					
Ability to capitalise on market access opportunities			✓		
Diversity of regional tourism resources			✓		
Spatial relationship between tourism resources		✓			
Integration of regional tourism resources		✓			
Network Indicators					
Regional interest group collaboration			✓		
Presence of intermediary agents				✓	
Value adding through association/partnerships			✓		
Opportunity for interaction between interest groups			✓		
Development Block Indicators					
Disequilibrium in existing Development Blocks					✓
Ability to utilise Development Block opportunities		✓			
Construction of Regional tourism identity			✓		
Diversity of existing Development Blocks			✓		
Woodburn Critical Mass Indicators					
Composition of existing Development Blocks		✓			
Existing Development Block infrastructure			✓		
Expertise supporting existing Development Blocks			✓		
Composition of potential Development Blocks		✓			
Role of Entrepreneur Indicators					
Presence of entrepreneurial role models			✓		
Market knowledge			✓		
Presence of risk taking behaviour		✓			
Sense of future orientation					✓

	LACKING	NEEDS WORK	SATISFACTORY	GOOD	OUTSTANDING
Production and Distribution of Knowledge Indicators					
Presence of formal research	✓				
Access to research institutions				✓	
Diffusion of information		✓			
Whole of community research approach		✓			
Role of Local Government Indicators					
Role in tourism development				✓	
Integration of government with community objectives			✓		
Provision of tourism infrastructure				✓	
Commitment of resources to tourism development				✓	

Chapter 12

Conclusion

The purpose of this pilot study was to apply innovation context analysis in a regional tourism development setting. The study was conducted in the small regional community of Woodburn, northern New South Wales. This report has argued that while traditional methods of valuing regional tourism (such as economic, social and environmental) will contribute to an understanding of tourism development outcomes, a study of innovation contexts will help regional communities formulate their approach to achieve those outcomes in the future. To approach this research, a relatively comprehensive case study of Woodburn was developed in order to adequately describe the tourism development framework within the community. The sources consulted and the resulting case study proved that the pilot study successfully identified the optimum sources needed to analyse the innovation capacities of a regional community (pilot study Objective 2).

The detailed case study description then enabled the CRTR to analyse Woodburn using the innovation context research framework developed during the pilot study. Briefly, the pilot study revealed that the strong innovation contexts in Woodburn were networks, the role of local government and the potential exhibited in entrepreneurial activity. Research indicated that the potential of entrepreneurial activity is, however, constrained by a number of factors, a scenario that also appears to have a direct impact over economic competence, particularly in areas such as the ability to overcome opportunity impediments. The most prominent challenges and limitations in Woodburn were found in the areas of research, clustering of resources, development blocks and critical mass. The interrelationship between the latter three innovation contexts was frequently highlighted throughout the analysis. This interrelationship continually related to the incomplete identity of Woodburn experienced by visitors. Relating back to the overall objectives of this pilot study, these outcomes demonstrate that the study provides practical evidence that innovation structures and processes do exist, and are important factors in regional tourism development (pilot study Objective 3).

Objective 4 of this pilot study was to illustrate the utility of innovative structure analysis in a regional community. The analysis of each innovation context within Woodburn was concluded with a set of performance indicators. Each set of indicators emerged directly from analysis of each innovation context observed within the community.

Table 11 provides a summation of indicators that emerged from the innovation context analysis of Woodburn. Each rating is unique to Woodburn community needs and, more specifically, highlights area where Woodburn may wish to modify or reinvent conditions within the community framework to better pursue regional tourism opportunities in the future.

Table 11 therefore, is a practical resource that illustrates the utility of innovation structure analysis in the regional community of Woodburn, northern New South Wales.

Finally, Objective 1 of this pilot study was to develop an accurate and reliable framework to analyse the innovation capacity of regional communities. To date, there is little evidence to suggest that this form of research has been applied in the context of regional tourism development. In this pilot study, the CRTR developed a research and analysis structure from existing innovation theory and tailored it to perform in the study of regional tourism development. The checklist of innovation context analysis in

Table 11 provides an overview of the capacity for innovation of Woodburn, northern New South Wales. Overall,

Table 11 highlights areas of weakness and areas of strength in Woodburn's capacity to engage in innovative regional tourism development. If used in conjunction with current tourism development initiatives, Woodburn will have the opportunity to create a more fertile and innovative capacity to maximise the economic, social and environmental potential of its regional tourism opportunities. Based on such outcomes, this pilot study has made a substantial contribution to the ongoing conceptual development of Prosper as a practical form of research highly applicable to any region throughout Australia.

Appendix A: Business Perception Survey: Impact of Tourism on Industry Growth in Woodburn

Entry Barriers

Was it hard or easy for your business to start up?

Hard _____ (if marked, proceed to part a)

Easy _____ (if marked, proceed to part b)

a) Answer this part if you answered 'hard'. Identify which single element has the most impact on your business:

- i. Low difference of product/s, compared to competitors _____
- ii. Brand image was hard to establish _____
- iii. Capital requirements were high _____
- iv. Ability to distribute products was difficult _____
- v. Expected retaliation of competitors was high _____

b) Answer this part if you answered 'easy'. Identify which single element has the most impact on your business:

- i. High difference of product/s, compared to competitors _____
- ii. Brand image was easy to establish _____
- iii. Capital requirements were low _____
- iv. Ability to distribute products was easy _____
- v. Expected retaliation of competitors was low _____

Rivalry Amongst Competitors

Is it hard or easy to compete against other businesses?

Hard _____ (if marked, proceed to part a)

Easy _____ (if marked, proceed to part b)

a) Answer this part if you answered 'hard'. Identify which single element has the most impact on your business:

- i. High cost of running the business _____
- ii. Overcapacity in the business _____
- iii. Large concentration of competitors _____
- iv. High diversity of competitors _____
- v. Difficult to leave the industry and earn a new form of income _____

b) Answer this part if you answered 'easy'. Identify which single element has the most impact on your business:

- i. Low cost of running the business _____
- ii. High demand _____
- iii. Low concentration of competitors _____
- iv. Low diversity of competitors _____
- v. Not difficult to leave the industry and earn a new form of income _____

Threat of Substitute Products

Is there a high or low possibility of substitute products being offered by new or current businesses?

High _____ (if marked, proceed to part a)

Low _____ (if marked, proceed to part b)

- a) Answer this part if you answered 'high'. Identify which single element has the most impact on your business:
- i. Lower price could be offered to consumers from other businesses _____
 - ii. Low overall cost for consumers to switch to substitute product/s _____
 - iii. Customers would be able to find same or higher satisfaction from substitute product/s from other businesses _____
- b) Answer this part if you answered 'low'. Identify which single element has the most impact on your business:
- i. Higher price could be offered to consumers from other businesses _____
 - ii. High overall cost for consumers to switch to alternative product/s _____
 - iii. Customers would find it difficult to find substitute products that produce same or higher satisfaction _____

Determinants of Customer Power

Do your customers have a high or low degree of loyalty to your business?

High _____ (if marked, proceed to part a)

Low _____ (if marked, proceed to part b)

- a) Answer this part if you answered 'high'. Identify which single element has the most impact on your business:
- i. Low buyer volume _____
 - ii. High buyer information about your product/s _____
 - iii. Customers are price sensitive _____
 - iv. Product/s has unique benefits _____
- b) Answer this part if you answered 'low'. Identify which single element has the most impact on your business:
- i. High buyer volume _____
 - ii. Low buyer information about your product/s _____
 - iii. Customers are not price sensitive _____
 - iv. Product/s has common benefits _____

Determinants of Supplier Power

Do your suppliers have a high or low influence over the operation of your business?

High _____ (if marked, proceed to part a)

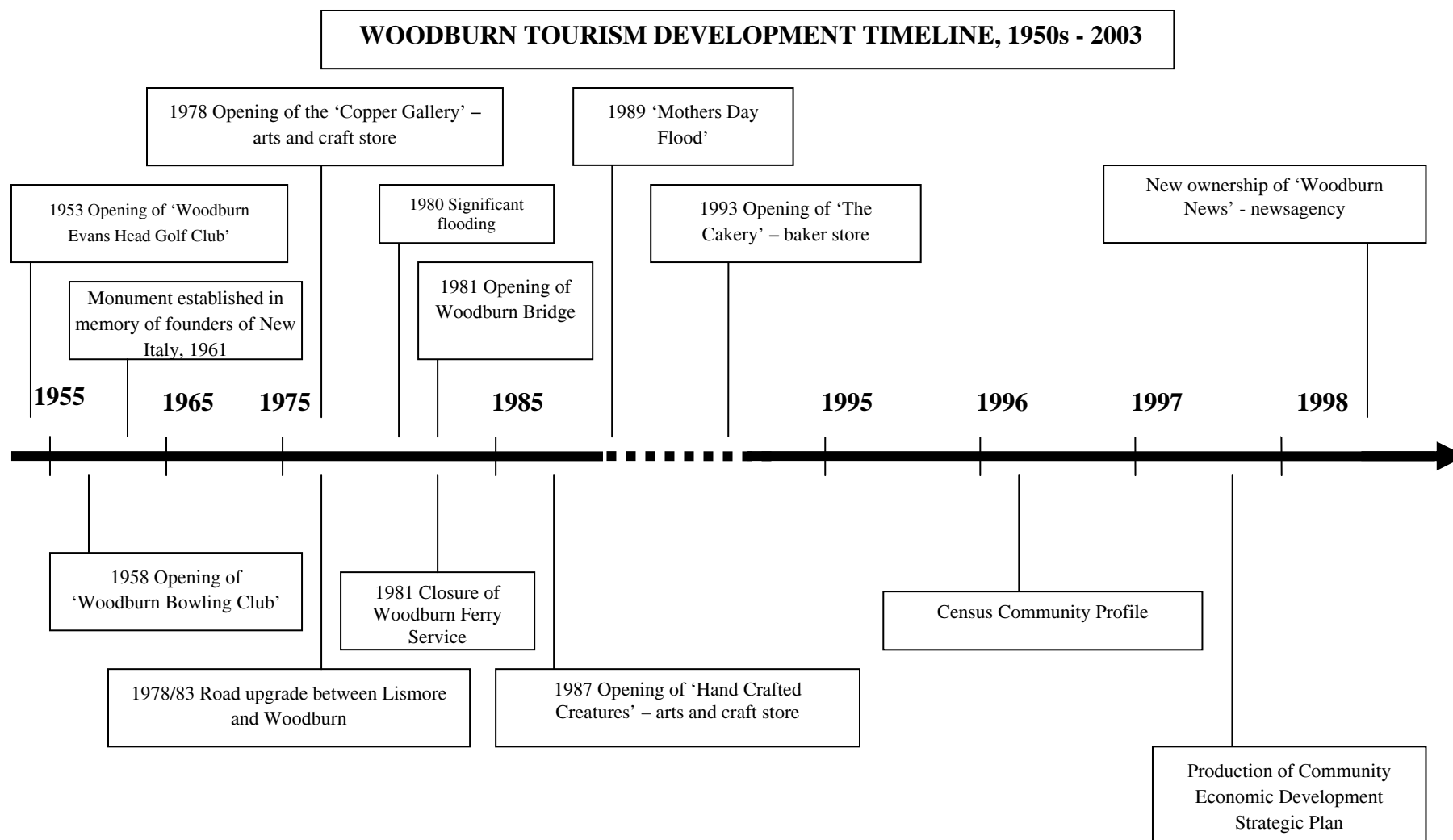
Low _____ (if marked, proceed to part b)

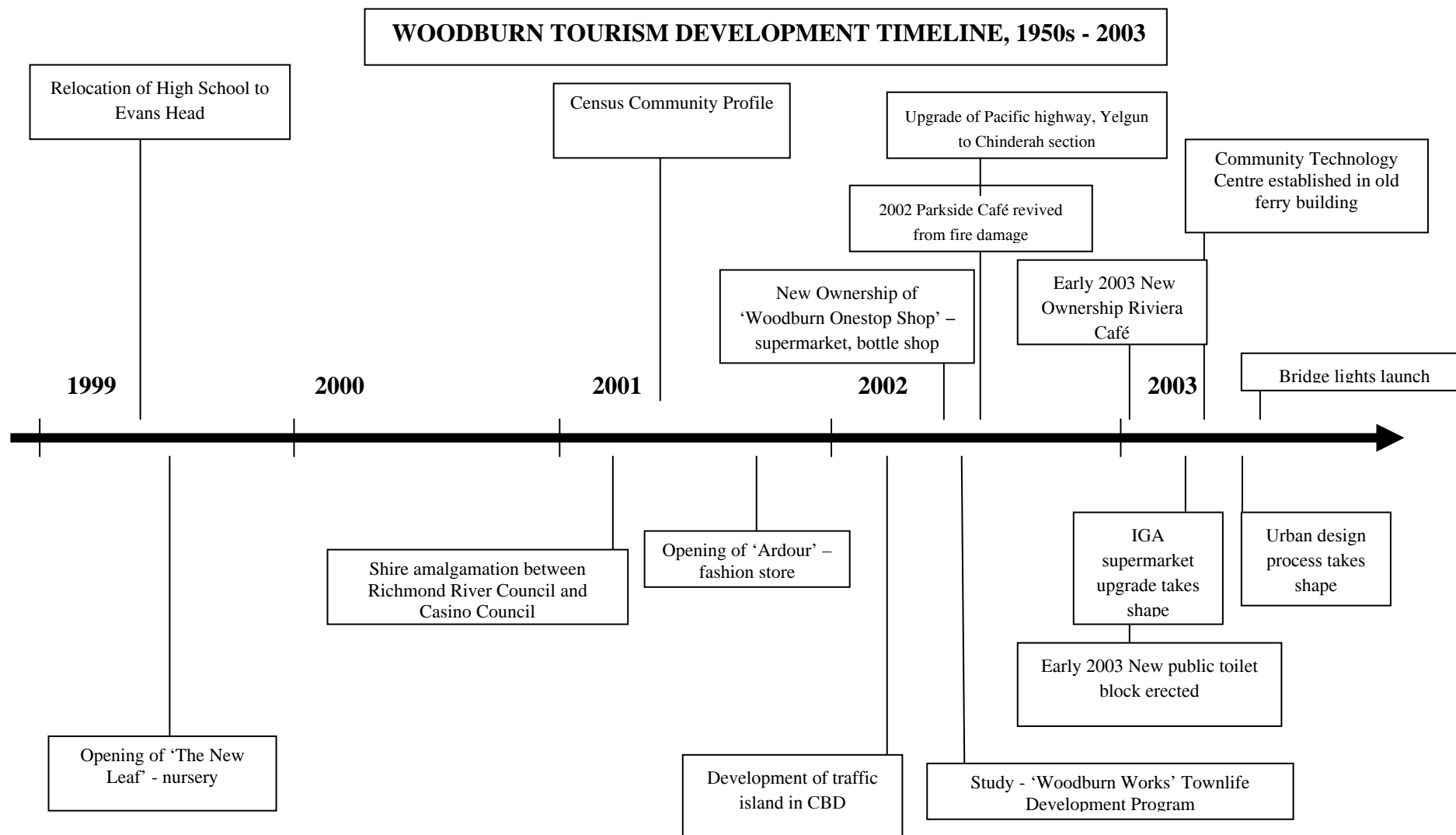
- a) Answer this part if you answered 'high'. Identify which single element has the most impact on your business:
- i. Low cost for supplier to switch to a different business _____
 - ii. Low supplier concentration _____
 - iii. High importance of volume to supplier _____

- b) Answer this part if you answered 'low'. Identify which single element has the most impact on your business:
- i. High cost for supplier to switch to a different business _____
 - ii. High supplier concentration _____
 - iii. Low importance of volume to supplier _____

Thank you for your time

Appendix B: Woodburn development timeline 1955-2003





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Glossary

A priori region. Types of regions that are developed according to historic, legal, natural or other features. A priori regions typically include regions established by authorities and government.

Capacity for innovation. The presence of favourable contexts within a region will determine the extent to which a region can engage in innovative tourism development behaviour.

Case study. A form of research that investigates something complex within a real-life context; when the boundaries between phenomenon and context are not clearly evident; in which multiple sources of evidence are used.

Clustering. Clustering suggests that geographical proximity between businesses and resources allows local linkages to nurture information exchange and interaction. Clustering can encourage competition, capitalise on convenient market access and diversity to compliment and strengthen the utility of resources within a region.

Community participation. Host communities need to have a close and long term role in the decisions that affect their wellbeing into the future. Community participation in development will emphasise local perspectives and encourage mindfulness of external environments and nearby communities.

Core competencies. Refers to the defining strengths that enable an organisation or region to survive in a dynamic environment. In a regional area these are usually features that cannot be replicated.

Critical mass. An innovation context that refers to the density of resources assembled within tourism development blocks. A critical mass is created by the presence of significant expertise and infrastructure within the block. A critical mass ensures that the full potential of each development block can be harnessed.

Descriptive information. Information gathered by research that can only describe the nature of the activity under investigation.

Development block. An innovation context that describes a fundamental attribute within a region, such as natural assets, cultural assets, outstanding service or tourist attractions, that give rise to a part of the regional tourism identity.

Disequilibrium. Disequilibrium describes tension, or dissatisfaction, within a development block that drives a desire for tension release. The tension is usually a need that can lead to activity to overcome that limitation. Disequilibrium is the dynamic influence needed to make any development block a useful innovation context.

Economic competence. An innovation context that refers to the ability of a tourism region to generate and take full advantage of the tourism opportunities within the region.

Economic value. Refers to valuing tourism development as a source of employment, income, investment, new enterprise development and so on.

Entrepreneur. The entrepreneur plays a key role in business development and increasing the economic competence of a region. Entrepreneurial activity favours the advantages of market and local knowledge.

Environmental value. Refers to valuing tourism development as stimulation for environmental awareness, conservation and improvement of environmental quality and infrastructure.

Equilibrium. Describes the lack of tension within a development block. Equilibrium is generally unfavourable for innovative behaviour.

Functional region. Types of regions that are established based on high degrees of internal interaction observable within the regional framework. Interaction may be based on administration or other activities.

Homogenous region. Types of regions that are based on a set of internal similarities, where there is a clear indication of regional characteristics usually not considered in the setting up of a priori regions.

Innovation. An ongoing interactive process between stakeholders, who with support from other organisations and institutions, help enable new products, processes and forms of organisation to become reality.

Innovation contexts. Refers to the favourable conditions that enable a region to engage in innovative development behaviour.

Less favoured region. A region that is dominated by high levels of state dependency, externally owned organisations, has a fragile entrepreneurial base, limited research and educational facilities, as well as limited opportunity for learning, innovation and economic diversification.

Networks. An innovation context that refers to the ability of a region to work together, in terms of integrating opportunities, ideas and resources that leads to the reduction of uncertainty. Networks are very similar to social capital. Network configurations can include production-based linkages, value adding relations, buyer-seller relations and knowledge-based associations.

Regional area. Generally refers to all locations outside the capital city metropolitan areas.

Regional framework. A regional framework refers to the entire structure underlying tourism development in a region. It comprises of regional stakeholders, regional tourism resources, the general population of the region, tourism and market conditions within the region, regional infrastructure and the relationships needed to support this framework.

Regional tourism. Incorporates the visitor-oriented activities conducted in destinations ranging from the most remote to those bordering the capital cities. It includes non-capital cities, towns, small settlements and isolated sites, and urban fringe, agricultural and wilderness areas.

Social capital. Refers to the networks, norms and relationships that highlight the manner in which regional members interact with each other to achieve objectives within the region.

Social value. Refers to valuing tourism development as stimulation to enhance cultural pride, broaden education opportunities, encourage a worldview, increase the value of life, promote cultural understanding and break down social barriers.

Sustainability. A principle that encourages communities to consider future implications of development (such as ecological, social and so on) and find ways to minimise those impacts, while ensuring the viability and prosperity of those ventures.

Tacit knowledge. Refers to knowledge that is deeply embedded in the immediate regional and cultural context. Tacit knowledge is unique in every region and also highlights procedures and routines that are unique to regional members.

Timeline. Refers to a form of study that builds a chronological account of significant decisions, factors or changes that have helped to mould the contemporary identity of a region.

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Dean Carson

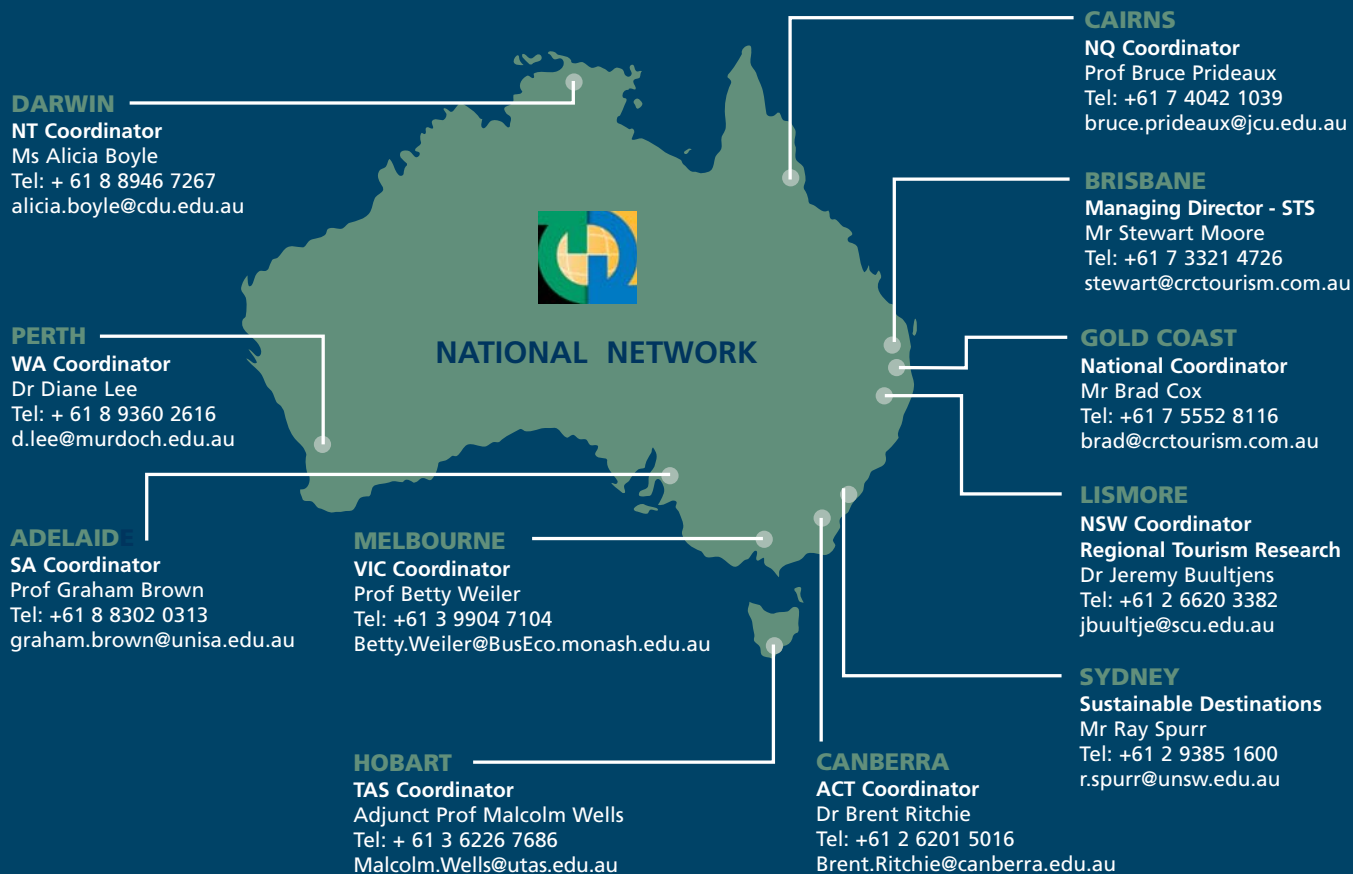
Dean Carson is the Tourism Research Fellow at School of Tourism and Hospitality, Charles Darwin University. His research interests include: managing regional tourism for economic and social gains; and the use of information and communications technology in tourism product distribution. Dean has degrees in history, communications, tourism and science. He has worked in rural and regional Australia researching topics as varied as: infrastructure and housing needs in remote Indigenous communities; health workforce retention in rural areas; and the role of Local Government in tourism management. Email: dean.carson@cdu.edu.au

Jim Macbeth

Jim Macbeth is the senior lecturer at School of Social Sciences and Humanities, Murdoch University. He 'arrived' in tourism as an 'immigrant' from sociology, especially social change, deviance and social movements and the sociology of leisure. As with all migrants, he brought along a lot of 'baggage', some of which found its way into Prosper. His work in Prosper has been informed by a long-term interest in environmental ethics and sustainable development, especially in the context of regional community revitalisation. Further, Prosper provided a relevant context for developments in the contested concept of social capital, work that led to the publication *Social Capital, tourism and regional development: SPCC, the forgotten ingredient*, co-authored with Dean Carson and Jeremy Northcote, forthcoming in *Current Issues in Tourism*. While Jim's recent research has been dominated by regional tourism development, other projects in local government politics and planning, 'triple bottom line' tourism yield and the social impacts of tourism development will inform future work. Email: j.macbeth@murdoch.edu.au

Simon Rose

Simon Rose is a Research Assistant for the Centre for Regional Tourism Research. His association with the Centre began in March 2003, where he has since gained Internship in regional tourism research and casual employment. Simon is currently in the final year of a Bachelor of Business in Tourism, Southern Cross University. He aims to establish a solid career in project management.



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